A Corporate Publication of Santee Cooper

POWERSOUICE



IN THIS ISSUE: CITY OF CONWAY | LIFELONG LEARNING | VIVA RECYCLING | FLY ASH RECYCLING | & MORE

from the CEO



It's no secret 2013 was an historic year in many ways for Santee Cooper, with a sharp focus on customers, economic development and the environment. At the top of the list, we significantly strengthened our partnership with Central Electric Power Cooperative in May with the signing of a multi-billion dollar, cost-saving extension to our agreement for Central to purchase power from Santee Cooper.

The extension, which will go through 2058, will benefit all cooperative consumers, other wholesale customers and direct-serve residential, commercial and industrial customers of Santee Cooper. In addition to the savings, the agreement creates a collaborative approach to planning for Santee Cooper and Central, Santee Cooper's largest customer.

Santee Cooper also signed new agreements with our two municipal customers, the city of Georgetown and the city of Bamberg Board of Public Works. We have enjoyed long, fruitful relationships with both cities, and I am pleased to have the opportunity to continue serving the good people who live and work there.

As one immediate benefit, the Central amendment allowed Santee Cooper to complete a \$1.8 billion bond issue, the largest in state history. Issuing new debt and restructuring a portion of our existing debt at attractive rates over a longer period will save our customers about \$75 million a year in debt costs.

Along with SCE&G, we're continuing to build new, clean nuclear generation at V.C. Summer Nuclear Generating Station. Nuclear power is virtually emissions free and will diversify our generation mix, enhance our operating flexibility and allow us to maintain our ability to offer low-cost, reliable power for the long term.

In economic development, our board approved \$20.7 million in loans in 2013 to local economic development officials and localities. These loans are to help build roads, industrial buildings and other infrastructure that will bring good, high-paying jobs to South Carolina.

Rounding out the year, we announced just before Thanksgiving plans to provide an important material to South Carolina manufacturers: the ash currently in our ponds at Jefferies, Winyah and Grainger generating stations. That ash is a byproduct of burning coal for power generation. It is a compelling story about how technological innovation, the laws of supply and demand, and our relationship with customers and neighbors together produced a story with far-reaching benefits. You can read more in this issue, beginning on page 28.

Happy New Year from all of us at Santee Cooper.

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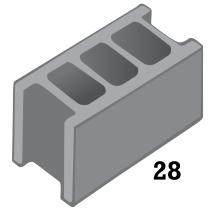
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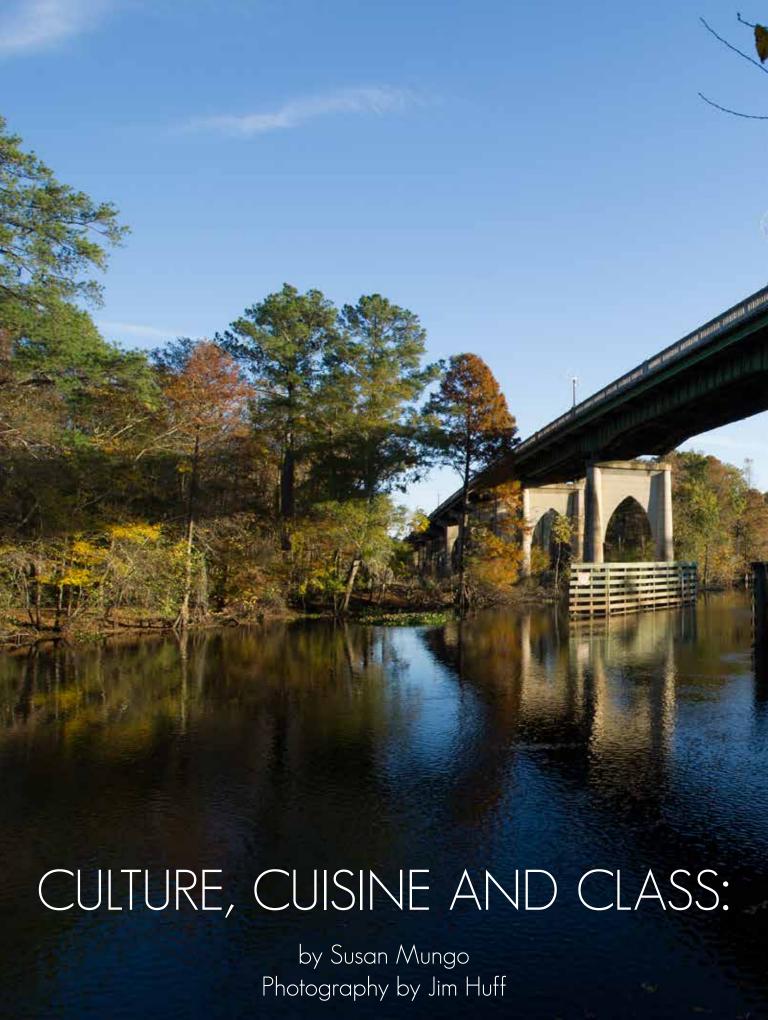
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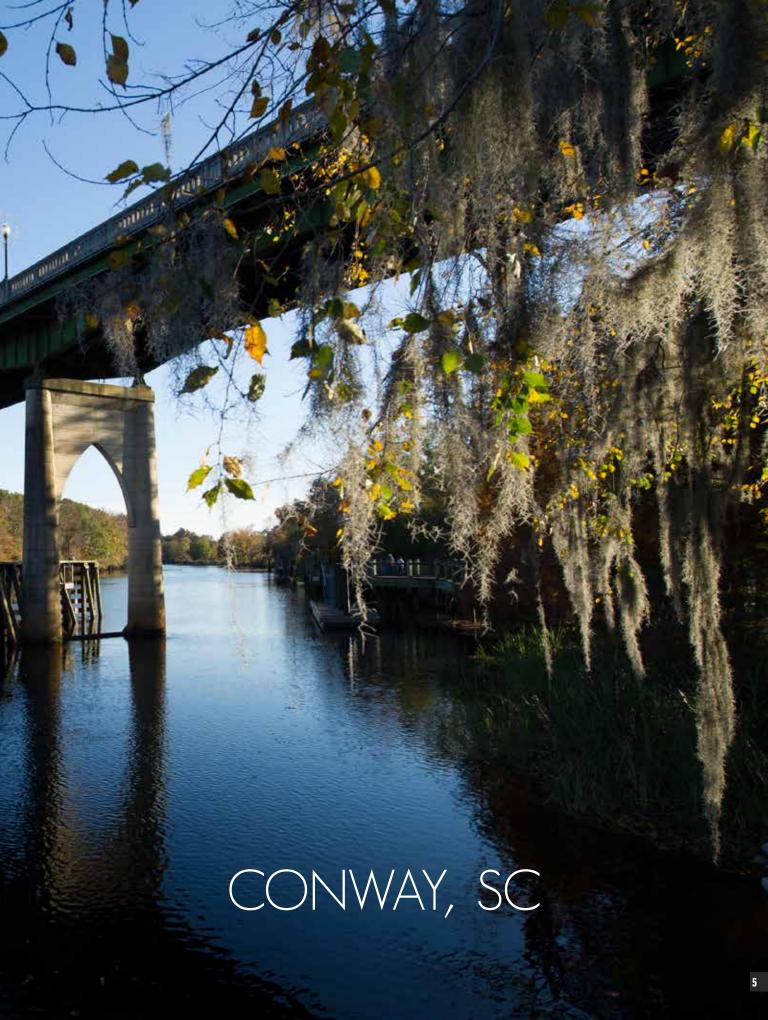
About the Cover

The bright lights of this marquee have been part of the pulse of downtown Conway for decades. Originally known as the Holliday Movie Theater, this Main Street icon was rebuilt after a fire in 1990. Now known as the Theater of the Republic, it operates today as a nonprofit live theater venue where volunteer actors, singers and dancers entertain audiences throughout the year.











Along the banks of the Waccamaw River, nestled under ancient live oak trees dripping with Spanish moss, you can find the quiet yet bustling city of Conway, South Carolina: an area rich in history and culture, full of shopping, dining and recreation activities, and a place that more than 17,000 people proudly call home.

City Hall, which was once the Horry County Courthouse, and the town clock are landmarks welcoming visitors to the downtown area.

Gnarled roots of the majestic oak and a neon sign showing that Conway is open for business signify Conway's blend of old and new.

Conway, one of the oldest cities in South Carolina, was originally established in 1732 as the village of Kingston. In 1734, a plan for the town was completed and by 1735, the first settlers began to arrive. Sometime after the American Revolution, Kingston, which was in the heart of what would be named Horry County, became Conwayborough. Much of the present day downtown of Conway was built in the early 1900s following a destructive fire.

You may think of Conway simply as an historical river town, but Conway was

actually first known as a place for timber trade. Farming also found its way to Conway as farmers markets and tobacco warehouses dotted the landscape, bringing with them the aroma of fresh vegetables and freshly cured tobacco to town.

The quaint and thriving downtown area of Conway, which is the designated county seat, has replaced the tobacco warehouses with other buildings but a farmers market is still located in the heart of town most weekends. Farming is certainly not the only part of its history the city is holding onto; numerous buildings and structures located in Conway are on the National Register of Historic Places. City Hall is just one of the many the town boasts. Several residences, churches, warehouses and cemeteries are all part of the history still preserved in Conway. You can spend a day taking a walking tour of those historical sites or spend a few hours on a driving tour.

Buildings and structures are not the only things the city preserves. Conway is a proud member of the Arbor Day Foundation's Tree City USA. The city has an ordinance that prohibits the removal of protected trees from any lot within the city limits. Ask those who live in Conway and they will tell you the tree ordinance does more than protect the trees; it helps preserve the ambiance of the area. Part of the beauty here is the grand oak trees whose limbs reach out to you. Driving through the streets, you may have to take a moment to let another car pass before you can drive around the base of an oak tree seemingly growing right in the middle of the road — a sight that adds to the charm of the city.

WORKING TOGETHER FOR A BETTER COMMUNITY

Like many of the city's trees, the Conway Chamber of Commerce has been a part of Conway since the 1920s. It has been instrumental in initiating and completing projects that led to securing a hospital, paving roads and bringing a radio station, Mainstreet USA, and a visitor's program to the city. The Chamber continues to be a vital partner with the city, promoting and soliciting business for Conway and the surrounding area.

The Chamber works closely with its 540 members to strengthen the business network and encourage those in Conway to do business with each other. They foster that by hosting monthly business gatherings to help establish and build relationships between business owners. The Chamber also hosts festivals and other special events, which bring visitors and their dollars to the area.

Kelli James, executive vice president of the chamber, sums up their involvement with the city. "We are committed to serving the business interests of our community through programs and events, business referrals and making our area a better place to work, learn, live and make a living," she said.

Through the efforts of the chamber, Conway's downtown is thriving with an eclectic mix of shops, dining establishments and small businesses.

Another reason the downtown has been successfully revitalized, while so many others struggle, may be the efforts of Conway











The downtown area features shopping, dining and even places to live. It is a revitalized city that has been successful at keeping businesses in town.

The city of Conway bought this fountain for \$25 from the City of Charleston, where it was once used to offer people and horses a cool drink of water.

Downtown Alive, a group working hard to keep the downtown hopping. Similar to the Conway Chamber of Commerce, Conway Downtown Alive partners with the city and other organizations to promote the area.

While the chamber of commerce works to promote business and industry throughout Conway, Conway Downtown Alive focuses on the five blocks that make up the heart of downtown. The group hosts events and programs that promote and oversee the special needs of those doing business and living downtown. With the number of empty store fronts dwindling from 50 in 2009 to around three, it appears Conway Downtown Alive is doing their job.

As Hillary Howard, president of Conway Downtown Alive said, "We do what it takes to get you downtown!"

IT'S ALL IN WALKING DISTANCE

Howard, among others, promotes the fact that everything visitors need is pretty much within walking distance. From the county courthouse, which is surrounded by businesses such as banks and law offices, to high-end adult and children's clothing retailers, consignment shops and antique stores, there's no need to venture out of Conway. There is also an array of jewelry retailers, home goods and kitchen shops and, of course, a general store. You can even have a chat with one of the customer service representatives at Santee Cooper's downtown Conway retail office.



This replica of the ornament originally made for display in the White House shows the beautiful colors of an ocean wave that was the inspiration for the design.

Main Street is a bustling place with locals and tourists enjoying the many amenities the city has to offer.

Conway also has earned accolades for its restaurants. From local bakeries and hometown cafés to upscale dining venues and trendy bars, Conway is putting itself on the culinary map.

After feeding your appetite, Conway has its share of culture that can help feed your soul. The city has a fabulous array of artisans showcasing their talents. Stroll down 3rd Avenue to discover an impressive local art gallery. Or visit the glass blowing shop on Laurel Street to see the work of a couple who, in 2010, were commissioned to create an ornament for the White House Travel and Tourism Christmas Tree.

After dark, it's hard to miss the brightly lit theater marquee beckoning you on Main Street. Once known as the Holliday Theater, the Main Street Theater (under the nonprofit name of Theater of the Republic or TOR), offers four main season shows, musical revues, holiday shows and children's theater productions. The nonprofit amateur theater sells about 2,000 season tickets each year and entertains over 40,000 people each season. Local talent has been pleasing audiences in this location for more than 30 years. And don't let the idea of local talent make you think this is not quality theater. In fact, Tim McGee, executive managing director of the TOR, said, "I have seen some of the





most talented people I know grace this stage, and there is something special and surprising about every show we perform."

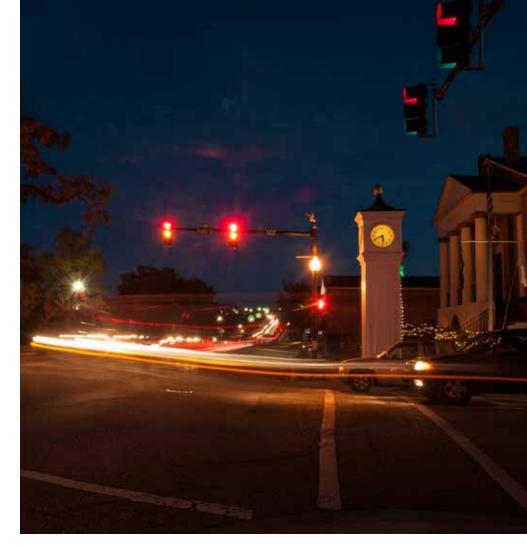
A STROLL IN THE PARK

While a thriving downtown is a major asset for the city and its residents, the Waccamaw River also is deeply entrenched in the heart of the city's history. Just a short walk from Main Street, you can stroll along Conway's Riverwalk and take in the quiet beauty of the Waccamaw. The Riverwalk is part of a walking trail featuring a number of the city's historical houses, buildings and churches. This winding boardwalk along the black water of the Waccamaw offers the perfect venue for a romantic stroll, a walk, a run, or a play date for your children or pets.

The Riverwalk will take you past the old peanut warehouse, a bed and breakfast and a plant arboretum. Continue on to discover Riverfront Park with a children's playground, a walking path, swings, a gazebo and a stage area where everything from special city events to weddings take place. At the end of your stroll, you'll find the Conway Marina where you can put your boat in for a ride along the river, take a riverboat tour or rent a kayak for a slower, quieter trip down the Waccamaw.

As the sun goes down, downtown heats up. Restaurants, special events and the theater offer many options after dark.

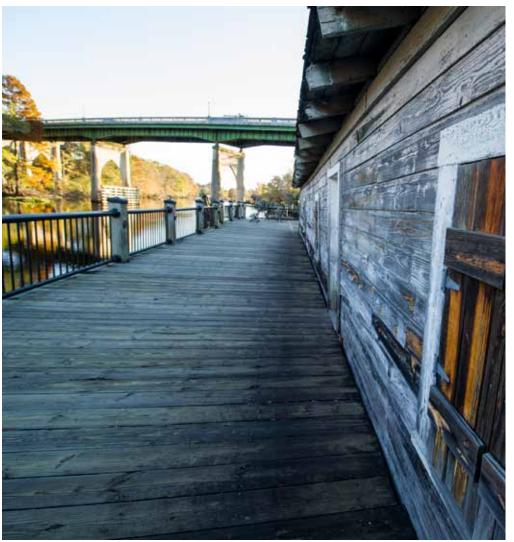
Cast members for Holiday on Main Street's "My Favorite Things" rehearse as Director Tim McGhee keeps a watchful eye on their performance.











PAST, PRESENT AND FUTURE

While Conway may be entrenched preserving its historical heritage, it is also becoming known as a forward-thinking college town. Coastal Carolina University, Horry Georgetown Technical College and Miller-Motte Technical College all call Conway home. Each of these academic establishments brings something special to Conway through programs and classes, making this an attractive area for those interested in higher education.

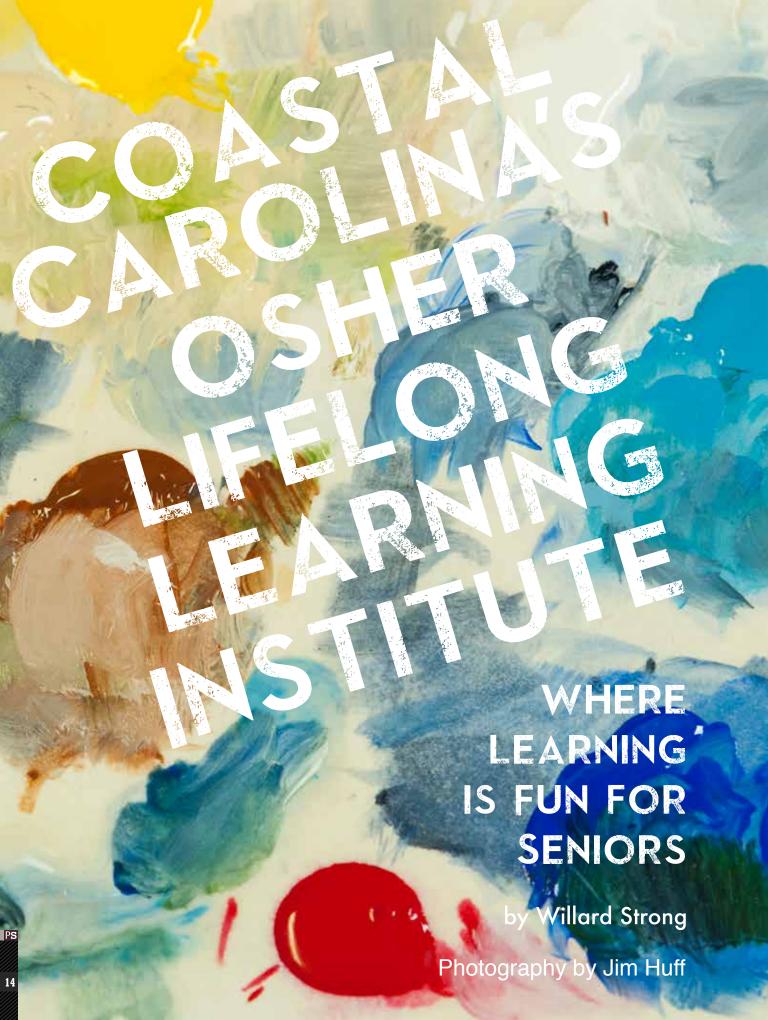
Melding the past with the present while keeping an eye on the future is a feat Conway is perfecting. The next time you're seeking Southern charm and historic roots, consider visiting Conway. It may have just what you're looking for.

David Welborn agrees. Although Welborn was not born in Conway, he and his wife Christie decided in 1999 to move to the area to be closer to their families. They now have two daughters, a 12 year old and a 17 month old. Welborn said, "I consider Conway home and appreciate that it has so much to offer every member of my family. I can't think of a better place to live, work or raise my family."

Enjoy Conway's natural surroundings at the Riverwalk and Riverfront Park.

Old warehouses are still in use along the Riverwalk. Some spaces are rented for social gatherings and events, and some open their doors with offers of kayak or canoe rentals.

The Horry County Courthouse, seen through the branches of the oak trees that grace the grounds, was the third courthouse to serve the county.



It's no secret the Grand Stand is an attractive locale for retirees and senior citizens seeking a warmer climate, reasonably priced real estate and a less harried lifestyle. But what happens after relocating, when those rounds of golf seem less challenging and inviting? Or your spouse or children may be nudging you to get out of the house or condo and try new things?

Are your "golden years" really unfolding like you imagined?

Filling that bill on so many levels, from Myrtle Beach to the South Strand and inland to Conway, is the Osher Lifelong Learning Institute, or OLLI, (pronounced "Ollie") at Coastal Carolina University. It's part of CCU's Division of Academic Outreach. Whether you're a senior or not, it's a place where you can learn to paint, take field trips, master the Internet or become more exposed to world affairs and area history. It's practically an unlimited classroom.

Heading up this outreach program of noncredit courses is Linda Ketron, the Institute's director. She brings a high level of enthusiasm to her work that's infectious to those around her.

"What we offer with Lifelong Learning courses for the older adult is an opportunity to

be stimulated intellectually," says Ketron. "But just as importantly, we offer social and cultural growth as well. We have designed our courses to foster the interests and the needs of those we serve."

With a smorgasbord of courses from which to choose—18 pages of classes in its 34-page booklet of offerings—OLLI is about as close to college as you can get without rush week and football games. And it's not just one main campus for courses. OLLI holds courses at three locations—the Coastal Science Center on Allied Drive in Conway, the Myrtle Beach Education Center at 79th Avenue North in Myrtle Beach and the Litchfield Education Center at Litchfield Landing on Ocean Highway.

Linda Ketron is the institute's director.





Today, 117 OLLIs are funded and functioning at institutions of higher learning in all 50 states and the District of Columbia. In the fall of 2007, CCU announced it had received a \$100,000 grant from the foundation for its 20-year-old lifelong learning program to become its own OLLI. For Ketron and CCU supporters of continuing education, it was the culmination of a lot of hard work getting to that point.

of 2002. That's when the foundation began awarding \$100,000 grants to institutions of

higher education to start an OLLI program.

"We have had the Osher Foundation in our sights for the past three years," Ketron said at the time. "But only this last spring did we feel that the combination of teaching, management and advisory talent, a varied and exciting curriculum, and the support of the administration merited their investment. We are devoting the first year's \$100,000 grant to publicizing and marketing our program. Our first order of business will be a needs assessment to determine what our area seniors want that we aren't offering."

"Lifelong learning has become a necessity in our modern society of increased life spans, exploding technology and globalization," says Norm Whiteley, former president of CCU's advisory board. Ketron says last year there were 2,400 unduplicated members enrolled in CCU's OLLI program and 3,700 "multiple students" receiving instruction.

"We could handle 5,000," Ketron says. "We have the capacity." About 140 instructors teach OLLI courses and many taught or led departments at a college or university. So, like so many of their students, they've also retired.

Ketron says she has always received enthusiastic support for OLLI, singling out former CCU president Dr. Ronald Ingle, at the helm when the program started, and today's president, Dr. David DeCenzo.

"I'm fortunate that we've had a high level of support from our administration," says Ketron.

going back to one's childhood and the basics, such as the use of cravons to stimulate creativity.

Opposite, left: Students listen intently to a lecture at the Myrtle Beach **Education Center.**

Opposite, right: "We start a painting here, we work on it a week, and then we have 'show and tell," savs Pawlevs Island resident Susanne Fodevaro. a 63-year-old retiree who taught elementary school in Pennsylvania and New Jersey. "The classes are inexpensive. Why not take them?"

Opposite, below: It's never too late to learn the xylophone. one of OLLI's many musical opportunities.

[&]quot;You just can't achieve a lot of your goals without that."



The offerings are nearly endless

To sign up for a class or to be part of a special interest group or club, one must become an OLLI member. It costs just \$20 each semester, and courses are held in the fall, which run from September through December, and in the spring from January through August. You get a student ID, a parking permit, CCU library privileges, and qualify for a discount at the student bookstore, the campus golf course and most campus theatrical performances. A course can range from \$20 to \$100, but many are free. Most meet once a week for six to eight weeks.

Art and Photography
Computer Technology
Foreign Languages
History and Government
Literature and Writing
Music, Theater and Film
Personal Growth and Skills
Philosophy and Religion
Science and Nature
Day Excursions to Area
Historical, Cultural and
Natural History Sites





Left: All skill levels can be found in painting classes.

Right: Students say that being with people their own age reduces classroom interaction barriers and stimulates lively discussion.

One unique feature of OLLI is that you can take a course for a "test drive," during the OLLI Free Week, to find out if you like it. According to the OLLI course booklet, Free Week "...will treat current and prospective Lifelong Learners to dozens of free overviews, minilectures and demonstrations of upcoming courses and clubs." Students are able to meet their instructor, and they're invited to sit in on any course on the first day it meets.

The OLLI Special Interest Groups include multiple book clubs, gardening clubs, Mac computer and iPad clubs, current events in the Middle East, conversational Spanish and French clubs, as well as travel clubs, to just name a few.

> Membership has its privileges, with discounts offered through OLLI to area health and fitness clubs, museums, the YMCA in Myrtle Beach and Georgetown, the Theatre of the Republic, the Long Bay Symphony, and Atlantic

"OLLI gives you an amazing perspective on what fulfills you"

But OLLI also has opportunities for seniors to expand their intellectual horizons far beyond the Grand Strand. For example, in 2014, trips are planned to the Everglades, Costa Rica, Scandinavia, Russia, New England, Canada, France and Spain.

Ketron has come a long way since she applied her master's degree in health service administration to promoting healthy aging through a senior learning program back in 1994. It was called Senior Semesters, a program that evolved into Campus Brookgreen Gardens. It then became Community Learning About Special Subjects or CLASS, and eventually OLLI at CCU. Brookgreen Gardens is another cultural attraction in the area that offers an OLLI entrance discount.

Different brushes are illustrative of what OLLI offers seniors: many choices that lead to stimulating new horizons.



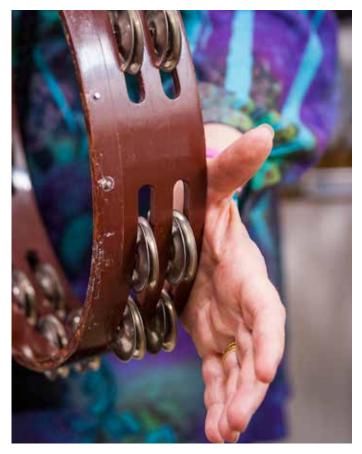
Expressiveness can be found in the shake of a tambourine.

Instructor Barnie Slice (right) has been teaching art for 46 years, nine of these at OLLI. Like most of his students, the **Greenville native** had a long career in business and in Slice's case, 31 years with Sears, Roebuck & Co. before beginning a second career at **OLLI's Litchfield Beach location** teaching oil, acrylic and water color.

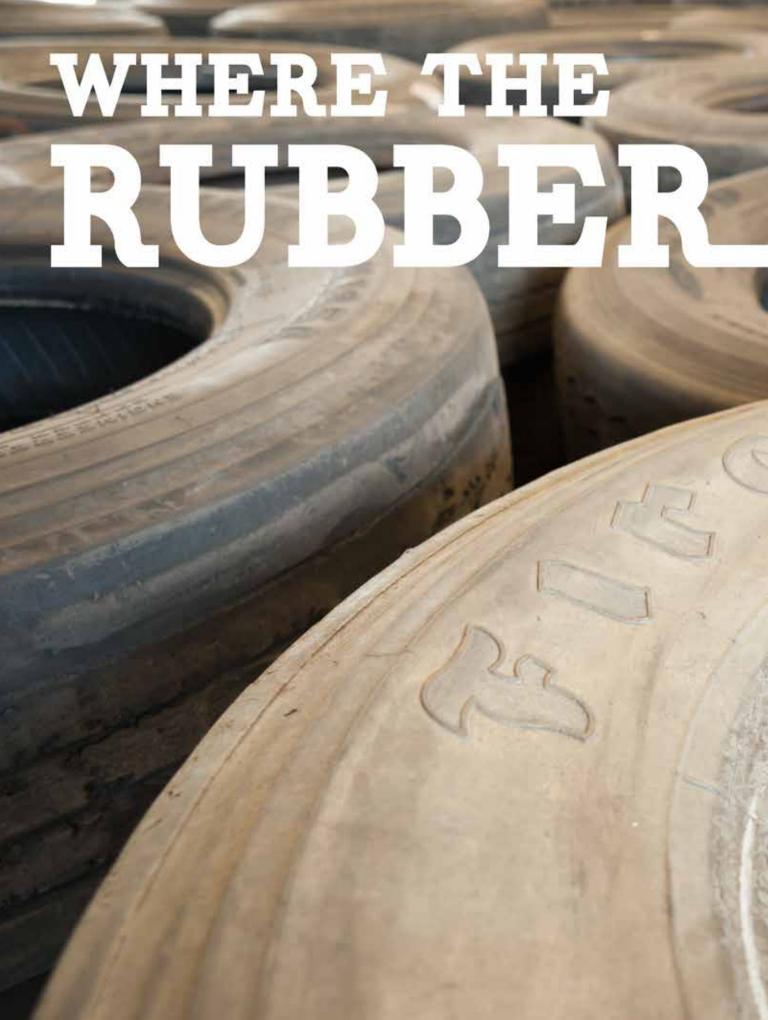
Being a part of OLLI has much in common with being a traditional college student out of high school. You meet new friends that can result in lasting relationships and at the same time, you're learning something new about the world and perhaps, about yourself.

"OLLI gives you an amazing perspective on what fulfills you," Ketron says. "We all have these goals and bucket lists, and OLLI provides the opportunity to realize them."

With OLLI, those goals can be within easy reach, and they offer a pretty deep bucket for your list. For more information about OLLI, go to www.coastal.edu/olli









N AN UNASSUMING BUILDING tucked away behind a few rows of trees, you'll find a relatively small and humble manufacturing company. The only thing that gives its purpose away is the sign at the plant's entrance, designed out of bits of bright green and blue recycled rubber. Although the plant is modest and inconspicuous, it has a lot of heart and quite impressive goals.

Viva Recycling of South Carolina, served by Berkeley Electric Cooperative, took over an existing building in Moncks Corner in the summer of 2012. Now, more than 50 employees have their minds set on manufacturing a useful product out of old, used tires that otherwise would be landfilled. By processing tires that are no longer usable, Viva is making recycled products for businesses and homes throughout the southeast that can be used in everything from landscaping to sports stadiums. And it's helping keep Moncks Corner's economy rolling.

Marty Sergi, the president and one of the owners of Viva, has been in the rubber recycling business for more than 30 years. Passionate about transforming wheels of all sizes from trash to treasure, Sergi was in the recycling business before recycling was a buzz word. His recycled products have been used in some impressive projects, including the White House playground, NFL football stadiums and highways.

Viva opened for business less than two years ago and began by recycling around 10 percent of the state's tires. According to Sergi, they are currently recycling closer to 50 percent of the tires in South Carolina and are working hard to increase that number.

Viva currently has the capability of recycling 2.5 million tires per year, but Sergi isn't resting on his laurels. He has expansion plans that could add up to 100 new jobs to the economy and increase production up to 5 million tires per year.





"WE WANT TO BE RECYCLING 100% OF SOUTH CAROLINA'S TIRES"

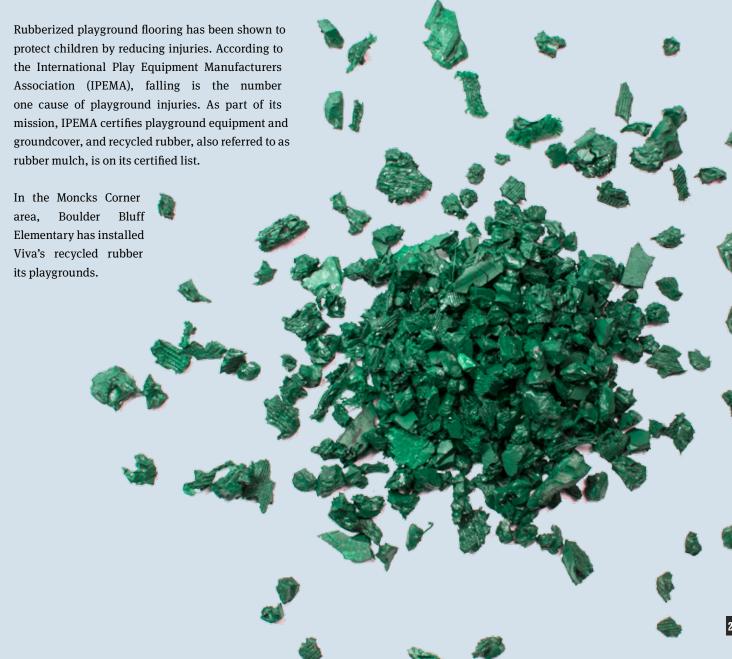


"We want to keep these tires out of landfills, where they'll sit for decades," Sergi said. "We're also dedicated to creating local jobs and have our sights set on expanding as we become more established in South Carolina."

There are a number of uses for recycled rubber, with landscaping and playgrounds leading the way in the state.

Opposite, top: Tires of all shapes and sizes are delivered to the tire yard behind the Viva plant before being sorted and processed.

Opposite, bottom: Viva's President Marty Sergi has dedicated most of his life to recycling tires and developing new uses for recycled rubber.







"Boulder Bluff Elementary, a Berkeley County School District school located in Goose Creek, chose recycled rubber playground material from Viva Recycling for its ability to provide a safe environment for students and its cost effectiveness to use and maintain," said Amy Kovach, director of communications and community relations for the school district. "The district works to source materials from local vendors whenever possible, and the recycled product met the needs of the play area requirements."

Parents like India Rigby also are pleased to have rubber flooring making its way to playgrounds.

Rigby has been working at the Viva recycling plant for nearly a year. She said she likes the fact that not only does she have a challenging job, but she also gets to make a product that can help her children stay safe.

"Knowing how the rubber mats and mulch are made gave me a whole different perspective," Rigby said. "What starts out as a whole tire now keeps my kids safe when they play on it."

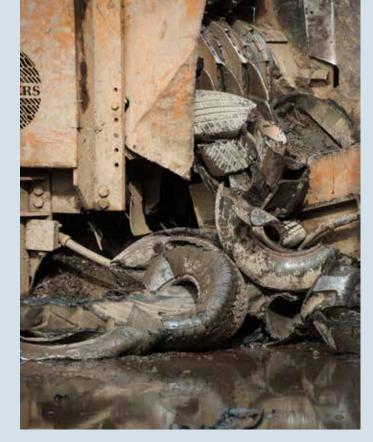
Rigby said her kids are interested in the recycled rubber now, too, and that they are always on the lookout for rubber mulch and mats.

In addition to playground uses, rubber mulch is being used more and more in landscaping by homeowners associations and individuals for its lasting properties and variety of colors. Viva Recycling has been working with homeowners associations and local businesses to keep their plant beds tidy with multiyear programs, the benefits of which include regular maintenance and not having to spread organic material in landscaped areas several times a year.

Plus, if you're a gardener, planting those rosebushes may be a little more tolerable with a bed of rubber under your knees.

There are a number of other recycled rubber products produced in Moncks Corner, including mats for equestrian arenas, soft walk pavers, stepping stones and anti-fatigue flooring. Companies also purchase recycled rubber to make non-slip paint. Viva's recycled rubber can even be found under the feet of the Atlanta Falcons. Sergi and his staff aren't done there, though. They continue to test some top secret new uses for recycled tires.

Tires unable to be reused are piled up and ready to be processed into anything from soft pavers to playground mats.









But how does a tire become a bed for roses?

First, tires are trucked into the plant from municipalities, tire centers, auto wreckers, and manufacturers such as Michelin and BMW. Tires that are still able to be used for their original purpose, transporting vehicles down the road, will be recapped and resold. Those not in good enough shape to be reused are divided by size, cut into smaller sections and then shredded. Depending on size, they go through two or three shredders to get the rubber down to more manageable pieces.

These smaller tire pieces move to the steel separation system where the steel belts are removed from the rubber. Approximately 20 percent of truck tires and 8 percent of passenger tires are steel. Not wanting to make any waste, the steel is then trucked to Charleston Steel & Metal Co. to be recycled in its own right.

After the steel separation, the fate of these little pieces of rubber is chosen — they either go on to become mulch for playground equipment or are shredded into extremely fine bits called crumb rubber, which is used for asphalt, sports fields, equestrian mats and more. The rubber used in playground groundcover, however, is filtered back through several stronger steel separation machines to ensure no steel is left in rubber going to playgrounds.

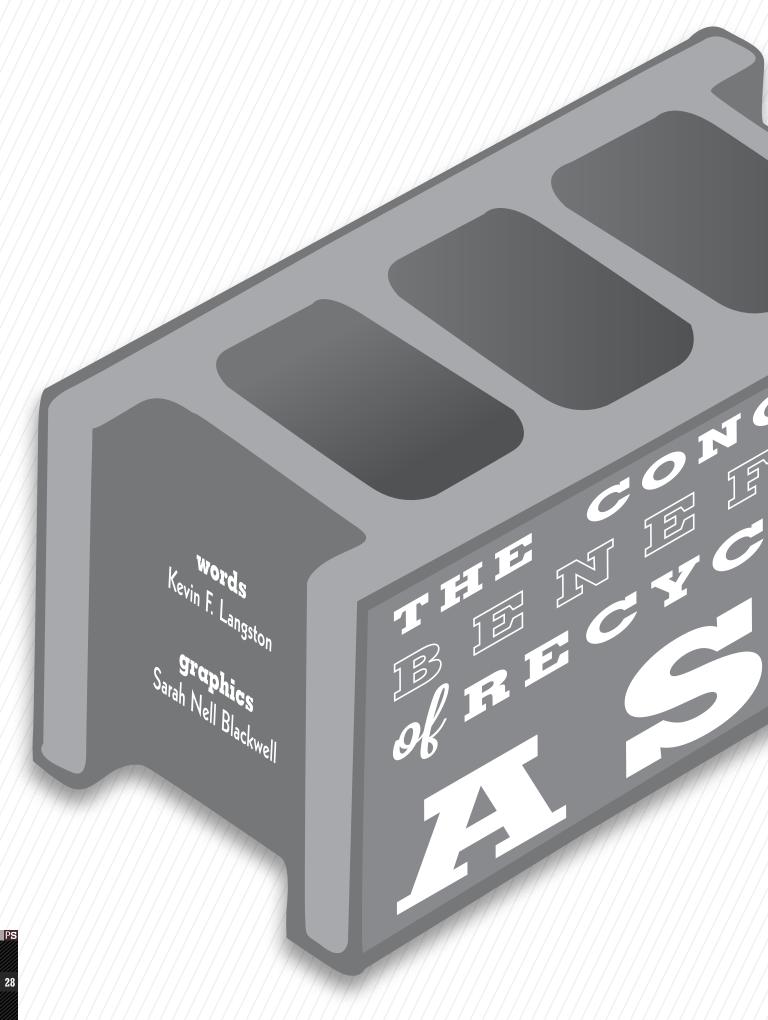




"We've set our goals pretty high, and we're doing all we can to achieve them," said Sergi during a recent tour of the plant. "We want to eventually be recycling 100 percent of South Carolina's tires."

To go from roadways to rose beds, tires have to be processed, which includes sorting tires by size, shredding them into small pieces of rubber, and removing and separating steel belts and fibers. Depending on their fate, the small pieces of rubber will be pressed into equestrian mats, packaged for mulch or go through several additional steel screenings for playground flooring. Much of the recycled rubber also gets a fresh, vibrant coat of color before being bagged and leaving the plant.







n a move that will bring widespread economic and environmental benefits, Santee Cooper recently announced an initiative to provide an essential material to South Carolina manufacturers while also closing the ash ponds at our Grainger, Jefferies and Winyah generating stations in the process.

Over the next 10 to 15 years, we will remove more than 11 million tons of coal ash located onsite at the three generating stations. The ash is a wet mixture of mostly fly ash with some bottom ash.

One vendor that has welcomed this development is The SEFA Group, which recently announced plans to construct a \$40 million facility adjacent to the Winyah Generating Station in Georgetown.

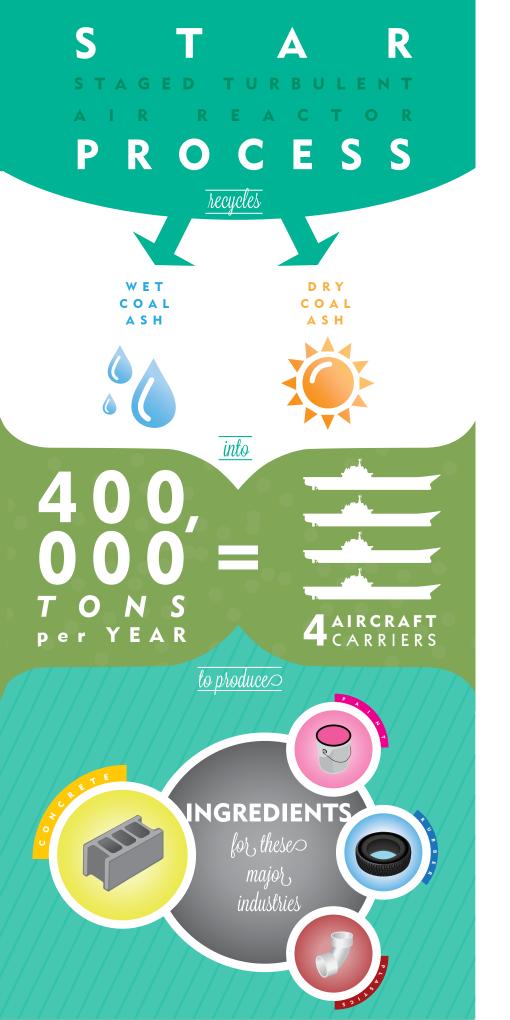
"We are excited about Santee Cooper's proactive decision to make beneficial use of this important resource," says Tom Hendrix, President of The SEFA Group. "We appreciate the opportunity to continue recycling Santee Cooper's fly ash for decades to come."

SEFA has been onsite at the Winyah station for a little over 10 years already. Hendrix says recent demand for quality fly ash has been greater than Santee Cooper's production of the ash. Meanwhile, the economic downturn and historically low natural gas prices have also put a damper on SEFA's operations.

From a planning perspective, this was the best thing we could do for our customers, the environment and the economy.

"Until recently, there has always been enough coal burned to at least produce the fly ash needed to feed our recycling plants. But that is now no longer the case," Hendrix says. "As Santee Cooper and other power producers shift away from burning coal to make electricity, there is now not enough fly ash being produced to feed our recycling plants. Consequently, we cannot meet the demand from the concrete industry for fly ash unless we can find another way to increase the amount of recycled fly ash."

It was at this time when SEFA began developing its new proprietary recycling technology. This Staged Turbulent Air Reactor (STAR) process now allows them to use both dry and wet coal ash.



Once online, the SEFA facility will be able to use as much as 400,000 tons of fly ash each year. Its primary product will be ready-mix concrete, but SEFA will also use Winyah's fly ash as an ingredient in paints, plastics and rubber products.

"Recycling ash is the only logical way to provide continuous supply of fly ash to the South Carolina concrete market," Hendrix says. "Fortunately for us and our industry, Santee Cooper has decided to also make fly ash present at these sites available for our use. Now that SEFA can tap into this fly ash, we will have access to enough fly ash to justify the cost to build and operate our largest fly ash recycling facility."

Hendrix says the STAR Plant near the Winyah Generating Station will allow SEFA to use both stored fly ash from Winyah's ponds and fly ash as it is produced at Winyah Station.

"The recycling operation and subsequent transportation and maintenance activities will provide well over \$1 million of yearly benefit to the Georgetown area of the South Carolina economy," Hendrix says.

With the recent closure of Grainger Generating Station in Conway, Santee Cooper was evaluating the most costeffective method of closing that facility's ash ponds.

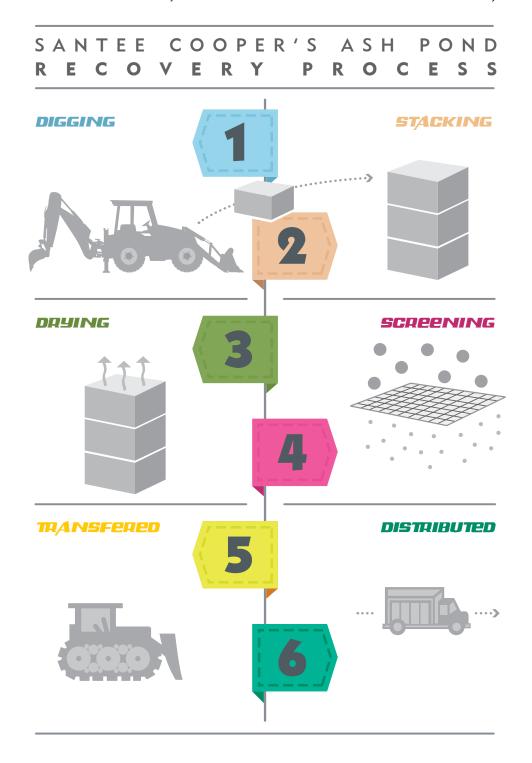
"When we decided to retire Grainger, many of the options we had in front of us were extremely expensive," says Tom Kierspe, vice president of environmental, property and water systems management. "But when we looked at including the other sites, we had a much larger quantity of material that created economies of scale that made sense."

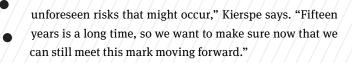
By including the Jefferies and Winyah stations, we now had a viable and economical plan that would remove all of our onsite coal ash over the next 15 years.

"From a planning perspective, this was the best thing we could do for our customers, the environment and the economy," says Jay Hudson, manager of environmental management.

Santee Cooper has contracts in place for all of the ash.

"There is a lot of flexibility and diversification built into these contracts to reduce any





Hudson says Santee Cooper is at an advantage in that many of the vendors are nearby, which makes these arrangements even more attractive to them.

"We're selling into two markets: cement manufacture and ready mix," Hudson says. "Cement is really an international business, and ready mix is more local, which helps keep building costs low locally while simultaneously supporting local construction operations. This will have a cascading economic effect."

Santee Cooper's combustion recycling program is 40 years old, but it really took off 20 years ago.

"There has never been a mandate telling us what to do with this ash," Hudson says. "But we've been aggressively trying to use as much of the ash as possible since the mid 1990s. We were over 90 percent utilization before the economy stalled out in 2007 and 2008. The good news is those numbers are coming back up."

Another success story came in 2008 when American Gypsum brought its operations and 100 jobs to Georgetown County. Located next to the Winyah Generating Station, American Gypsum uses gypsum, another combustion material, produced there and at the Cross Generating Station as an ingredient in its wallboard manufacturing.

Hudson says Santee Cooper has been refining its generating processes to provide even more gypsum.

"Between this new commitment and our ongoing gypsum-reuse program, we'll almost be a net zero operation," he predicts.

Hendrix applauds Santee Cooper for its innovation in crafting its combustion materials utilization program.

"Without question, Santee Cooper has developed one of the leading combustion materials utilization programs in the country," he says. "The innovative decision to provide ash for use in construction material is a continuation, and an affirmation, of Santee Cooper's past decisions to utilize coal combustion materials in an environmentally friendly and acceptable manner."

Business Briefly

Call center bringing 600 jobs to Myrtle Beach

StarTek announced Dec. 9 it plans to open a \$10 million customer support center in the Carolina Forest area, creating hundreds of new jobs and representing an estimated annual economic development impact of more than \$45 million for the Grand Strand.

The company will occupy a 50,000 square-foot building in Carolina Forest's Town Centre, which is scheduled for completion by the fall. In the meantime, StarTek will be hiring 10 management employees who will build the company's local workforce of 665 employees. Initial training and operations will be conducted temporarily at Horry Georgetown Technical College's Grand Strand Campus.

"South Carolina is known the world over for our hospitality, so companies in the service industry see our state as a natural fit," said Secretary of Commerce Bobby Hitt in a statement. "We welcome StarTek to the area and appreciate their commitment to invest in our state."

The announcement is the result of a collaborative effort among many representatives at the local, regional and state levels including the Myrtle Beach Regional Economic Development Corp., the South Carolina Department of Commerce, Horry County Council, the TCP Capital LLC Team, Horry Telephone Cooperative, Horry Georgetown Technical College, the North Eastern Strategic Alliance, ReadySC, and Santee Cooper.

"Today's announcement means hundreds of good jobs for our customers, and it reflects the hard work and commitment of many people," said Santee Cooper President and CEO Lonnie Carter. "I'm proud of the role Santee Cooper plays in promoting economic development to new businesses, and I'd like to wish StarTek many years of prosperity here in the Grand Strand."

Greenwall Construction chosen for ITAP taxiway

Horry County and Myrtle Beach's Greenwall Construction reached an agreement in November to begin the development of a taxiway at the International Technology and Aerospace Park located at the Myrtle Beach International Airport. The \$5.45 million project will build a taxiway to ITAP that officials believe will help recruit businesses to the 400-acre site. It is being funded by \$3.7 million in Federal Aviation Administration grants, \$1.3 million in federal utilities grants, and \$450,000 from the Horry County Department of Airports. The project is expected to be completed in March 2014.

The city of Myrtle Beach, Horry County, Myrtle Beach International Airport and Santee Cooper have collectively invested between \$3.5 million and \$4 million on roads, underground utilities, and signage at ITAP. Economic development officials believe the park could eventually house 2,500 highly skilled and high-paying jobs.

Gun manufacturers moving to Horry County

Ohio-based firearms manufacturer Ithaca Gun Company announced Oct. 16 it plans to expand its operations to the Myrtle Beach area, bringing a capital investment of approximately \$6.7 million and 120 new jobs with them.

Ithaca will construct a 20,000 square-foot facility at the Cool Springs Business Park near Aynor. It joins PTR Industries as the second firearms manufacturer since June to announce a move to the business park.

PTR Industries is moving its operations to Horry County and expects to add 145 employees to local payrolls by the end of 2016. The project represents a capital investment of approximately \$8 million and an estimated annual economic impact of \$20 million. It will occupy a 58,000 square-foot spec building at the Cool Springs Business Park and is scheduled to be operational by January 2014.

Both companies cited the quantity of a quality local workforce, the cost and quality of living, access to training facilities and technical colleges, and a pro-business climate as reasons for choosing South Carolina over other expansion candidates.

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Santee Cooper approves economic development loans

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Santee Cooper's Board of Directors recently advanced economic development loans totaling \$4.2 million to help fund projects in York and Colleton counties. The loans bring Santee Cooper's investment in new projects to \$24.8 million since 2012.

The loan program was designed to help local economic development agencies close deals and land new jobs in South Carolina. In 2013, economic development loans also were approved for the town of Blythewood, city of Union, Pee Dee Commerce Park and Cool Springs Business Park, among others.

Santee Cooper begins dismantling Grainger Generating Station

As part of its decommissioning of Grainger Generating Station, Santee Cooper is beginning the process of dismantling the plant, which includes the administrative offices and generating equipment.

The process is expected to take about two years. Santee Cooper plans to dismantle the building and clear the property, with the idea that it could be reused for a new commercial venture.

"Santee Cooper is working with the local community to make sure we gather their input as we make decisions about Grainger," said Jim Brogdon, executive vice president and general counsel. "We will continue to engage our neighbors and customers as we go through this process."

Biomass projects dedicated

EDF Renewable Energy and Santee Cooper dedicated the Pinelands Biomass project, which consists of two 17.8 megawatt generating facilities located in Allendale and Dorchester Counties. The two projects interconnect to Santee Cooper's transmission system adjacent to the sites with the generated renewable energy contracted to the utility under 30-year power purchase agreements.

The woody biomass facilities, with a consistent wood demand, will bring significant economic benefits to both counties by contracting with the existing trucking and wood supply industry. Additionally, the two facilities have created over 250 construction jobs and 38 full-time positions.

New contract signed with cities of Bamberg and Georgetown

Santee Cooper signed new contracts with the cities of Bamberg and Georgetown to provide wholesale electric service to the cities' electric distribution systems. The Bamberg contract was inked for 20 years and the Georgetown contract for 10 years. Santee Cooper has provided electricity to Bamberg since 1977 and Georgetown since 1949.

The Bamberg Board of Public Works provides water, wastewater, electric and natural gas service throughout the incorporated area of Bamberg as well as water, wastewater or natural gas service to portions of Bamberg, Barnwell and Orangeburg counties. The Board of Public Works serves approximately 2,500 customers with one or more utilities.

The city of Georgetown has operated a municipal electric utility since 1921. The Georgetown Electric Utility Department provides purchased power, distribution, metering, street and security lighting, and other services to the citizens and businesses of Georgetown. It serves approximately 3,800 residential customers and 1,200 commercial customers.

First Green Power Solar School in Charleston County dedicated

Berkeley Electric Cooperative, Santee Cooper and the Charleston County School District in December dedicated a Green Power Solar School at Haut Gap Middle School. The school has been equipped with a solar cell array that produces electricity from the sun's rays, providing students with a firsthand look at the opportunities and challenges of solar power.

Haut Gap Middle is the first school in Charleston County to be a Green Power Solar School. Students, educators and utility representatives gathered around the pole-mounted solar array to officially commemorate it.

Green Power Solar Schools represents one way that Santee Cooper and the state's electric cooperatives promote renewable energy. It helps fulfill Santee Cooper's commitment to reinvest Green Power funds back into renewable resources across South Carolina. Santee Cooper and the electric cooperatives began generating and distributing Green Power in 2001, and have steadily increased renewable generation in South Carolina since then, using South Carolina resources.



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